

## Staff Summary Report



Council Meeting Date: 06/16/2011

Agenda Item Number: \_\_\_\_\_

**SUBJECT:** Request approval authorizing the Mayor to execute a Wired Telecommunications License and Right-of-Way Use Agreement between McLeodUSA Telecommunications Services, Inc. dba PAETEC Business Services and the City of Tempe.

**DOCUMENT NAME:** 20110519pwws01 MCLEOD USE TELECOMMUNICATION SERVICES (0802-20)

**COMMENTS:** McLeodUSA Telecommunications Services Inc. (now doing business as PAETEC Business Services) was granted a five-year license in 2006 for use of the City's rights-of-way to provide intrastate telecommunication services. This license expired on Mar. 2, 2011 and there has been no change in the fiber route. Under Sections 31A-10(a) and 31A-14 of the Tempe City Code, PAETEC needs to have a license and agreement in order to continue providing services and/or do any work in the right-of-way.

**PREPARED BY:** Wendy Springborn, Engineering Services Administrator (x8250)

**REVIEWED BY:** Andy Goh, Deputy Public Works Director/City Engineer (x8896)

**LEGAL REVIEW BY:** Jenae Naumann, Assistant City Attorney (x8402)

**DEPARTMENT REVIEW BY:** Don Bessler, Public Works Director (x8205)  
Ken Jones, Financial & Technology Director (x8504)

**FISCAL NOTE:** All of the current facilities owned by McLeodUSA/PAETEC carry intrastate telecommunications that are exempt from a right-of-way use fee under A.R.S. § 9-582(A). McLeodUSA/PAETEC will, however, be responsible for any application fees, transaction privilege taxes, permit fees, damage fees, and reasonable costs associated with construction, maintenance, and operation of its facilities under Tempe City Code, Chapter 31A, and Sec. 29-19.

**RECOMMENDATION:** Authorize the Mayor to execute the Agreement.

**ADDITIONAL INFO:** N/A